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FM SECSTATE WASHDC
TO RUEHGP/AMEMBASSY SINGAPORE 0000
INFO RUEAIIA/CIA WASHINGTON DC
RUETIAA/DIRNSA FT GEORGE G MEADE MD
RHMCSSU/FBI WASHINGTON DC 0000
RUCPDOC/USDOC WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC

UNCLAS STATE 006242

SIPDIS
SINGAPORE FOR MATT EASTER
ECON

E.O. 12958: N/A

TAGS: ETTC KOMC SN

SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK
ON LICENSES 050059552, 050127774, AND 050188290

REF: 2006 BLUE LANTERN GUIDEBOOK

¶1. This is an Action Request. See paragraphs 2-4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a post-shipment check on licenses 050059552, 050127774, and 050188290 for the export of International Traffic in Arms (ITAR)-controlled aircraft refueling nozzles to Singapore. Post is requested to complete this Blue Lantern inquiry within 45 days. Lack of response to a Blue Lantern inquiry will affect pending and future licenses involving parties to this license.

¶3. Reason for request: The U.S. applicant, Carter Ground Fueling (CGF), recently submitted license 050207766 for the export of refueling nozzles to foreign consignee Haneflex (S) Pte. Ltd. of Singapore. However, said license was Returned Without Action (RWA) due to the fact that the end user is an entity located in the PRC. Prior to the submission of 050207766, the subject licenses were approved for the same commodity (refueling nozzles) and foreign consignee (Haneflex) as 050207766, except the listed end user on the licenses is the Singapore Air Force (SAF) / Defense Science & Technology Agency (DSTA). The subject license applications did not include any supporting documentation from the end user. The circumstances suggest the possibility the items may have been diverted.

¶4. ACTION: The Department requests that Post confirm that the foreign end user, SAF/DSTA has received all items listed on the license applications (see para 5). In addition, the Department requests that Post make inquiries with appropriate officials to establish the bona fides of Haneflex in the transaction. Conduct a site visit to assess the company's reliability as a recipient of United States Munitions List (USML) articles as well as an assessment of the company's on-site security and operations. If a site visit is not possible, please inform the PM/DTCC case officer.

The following points are included for guidance:

--Can Haneflex provide documentation that verifies the end-use of the refueling nozzles, such as a contract or purchase order from the SAF or DSTA

--When was Haneflex established and who are its principals?

--What is the nature of the company's businesses -- what type of items does it handle? Does the company serve as a broker?

--What type of organizations are among its typical customers and where are they located?

--Does Haneflex understand the restrictions on USML items,
especially the prohibition against unauthorized re-transfer
and re-export?

END ACTION.

15. Details of license application:

DTC CASE: 050059552

QUANTITY/COMMODITY:

3 - CCR Nozzle P/N 64017C
1 - Repair Kit P/N KD64017-7

License Value: 2875.00 USD

(COMMENT: According to US Customs data, items were exported
on 17 November 2007. END COMMENT)

DTC CASE: 050127774

QUANTITY/COMMODITY:

18 - CCR Nozzle P/N 64017C
2 - Repair Kit P/N KD64017-7

License Value: 48,110.00 USD

(COMMENT: According to US Customs data, items were exported
on 11 January 2009. END COMMENT)

DTC CASE: 050188290

QUANTITY/COMMODITY:

6 - CCR Nozzle P/N 64017E

License Value: 18,611.00 USD

(COMMENT: According to US Customs data, items were exported
on 27 September 2009. END COMMENT)

SELLER:

Eaton Corporation
via Carter Ground Fueling
9650 Jeronimo Rd.
Irvine, CA 92618
Tel: 949-452-9910
POC: Elizabeth Canfield

FOREIGN CONSIGNEE:

Haneflex (S) Pte. Ltd.
174, Tagore Lane
Singapore 787577
Tel: 65-64552188
Fax: 65-64550488
POC: Tan Wee Chuan

FOREIGN END-USER (050059552)

Singapore Air Force
Sembawang Air Base
AFPN 8073, 303 Sembawang Road
#02-01 Singapore 757754
Tel: 65-67508051
Fax: 65-67508052
POC: Capt. Seah Seow Nou

FOREIGN END-USER (050188290 and 050127774):

Defense Science & Technology Agency DSTA
DTTB Financial Services Center #15-01
Des. 5, Depot Road, DTT Tower B
Singapore 1096681
Tel: 63736224
POC: Mr. Daniel Wong Wei Xiang

PURPOSE:

050059522 - Material required for fueling of helicopter -
Super Puma
050127774 - Material for fueling of helicopter - Super Puma
050188290 - Material for naval ship

¶6. Submitted in support of the license applications were the following documents (PM/DTCC will email documentation to Post upon request):

--050059522 - Purchase Order No. 6287, dated 19 July 2007.
--050127774 - Purchase Order No. 6672, dated 10 October 2008.
--050188290 - Purchase Order No. 6886, dated 7 July 2009.

¶7. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Meredith Sundlof. Phone: 202-663-3455; Email: SundlofME@state.gov; SIPRNET: SundlofME@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file at http://www.intelink.sgov.gov/wiki/Blue_Lantern_End-Use_Monitoring_Program.

¶8. Department is grateful for Post's assistance in this matter.

CLINTON